Alberta Tourism Market Monitor

Oil price woes spreading to tourism sector, but some bright spots remain

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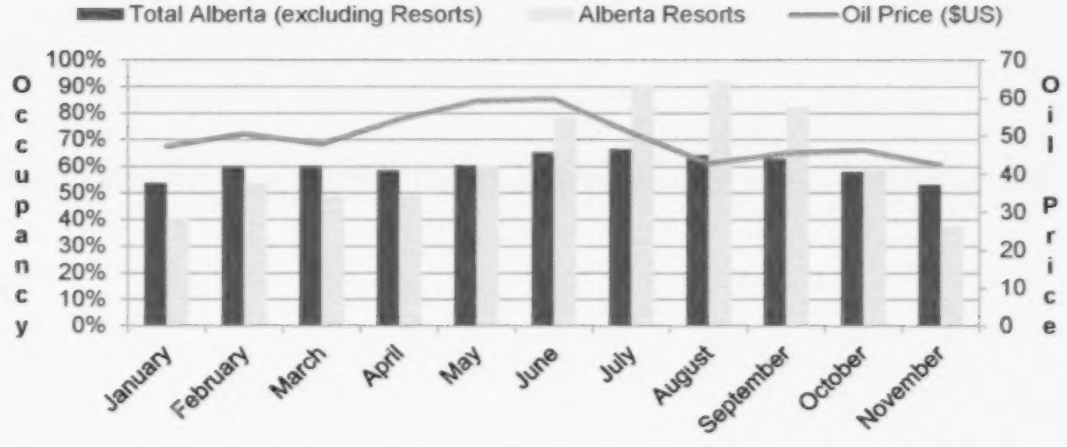
As the oil price continued its downward trend in November 2015, so did occupancy rates across Alberta. The occupancy rate for Total Alberta (excluding Resorts) decreased by 15.7 points to 53.2%, compared to November 2014. Following a robust performance for most of 2015, Alberta Resorts registered a 3.9 point decline in its occupancy rate in November 2015 (37.7%). The national occupancy rate for Canada also dropped 2.8 points to 57.8% in November 2015, compared to the same month in 2014. The year-to-date (Jan – Nov 2015) performance of Alberta Resorts accommodation indices remain strong, however, with a 2.4 point increase in occupancy rate and an average daily room rate growth of 8.3% to $231.80, compared to the same period in 2014.

In December 2015, the oil price hit its lowest level since June 2004 (and at the time of this publication in January 2016, it had slid further). This has impacted Canada and Alberta adversely, leading to lower business investment, job losses, and a weaker Canadian dollar. According to the Conference Board of Canada, a low Canadian dollar and stronger U.S. economy is expected to lead to more staycations from the domestic market and increased visitation from the United States and international markets to Canada in 2016. The net impact of the low oil price and Canadian dollar on the tourism sector depends on whether an expected increase in leisure travel (from staycations and international visitors) can outweigh a decline in business travel.

Occupancy Rate and Oil Price, Jan-Nov 2015



Alberta Government

2015 Alberta Tourism Market Monitor

Alberta Culture and Tourism

	Jan.	Feb.	Mar.	Apr.	May	June	July	August	Sept.	Oct.	Nov.	Dec.	Yr-to-Date
Air Passengers 2015 (000's of arrivals and departures) [1]													
Edmonton International Total	582.1p	561.6p	613.8p	592.7p	565.5p	598.8r	683.7r	710.0p	602.1p	594.9p	550.5p		6665.7p
Per cent change from 2014	-0.3%	-1.0%	-1.8%	-4.4%	-5.4%	0.9%	2.5%	0.2%	1.8%	-0.5%	-2.8%		-0.9%
Domestic	398.2p	380.9p	421.4p	413.4p	438.7p	490.9r	559.6p	583.4p	493.6p	472.4p	405.5p		5057.9p
Per cent change from 2014	-2.7%	-2.9%	-1.3%	-5.9%	-4.6%	2.7%	4.4%	2.0%	3.0%	1.3%	0.1%		-0.1%
Transborder	118.2p	119.7p	129.1p	119.3p	95.1p	82.5p	93.5r	93.6p	81.3p	97.0p	98.8p		1128.1p
Per cent change from 2014	-0.3%	-3.0%	-7.8%	-9.0%	-12.9%	-10.2%	-10.1%	-13.2%	-10.8%	-12.9%	-17.3%		-9.5%
International	65.7p	61.0p	63.2p	60.1p	31.6p	25.4p	30.6p	32.9p	27.3p	25.6p	46.2p		469.7p
Per cent change from 2014	16.8%	17.9%	9.8%	21.8%	10.5%	9.0%	14.6%	14.3%	27.4%	27.0%	11.5%		15.9%
Calgary International Total	1,199.0p	1,149.3r	1,267.0r	1,225.7p	1,257.1p	1,304.8r	1,512.8r	1,557.4p	1,289.3p	**1267.5r**	1132.3p		14168.3p
Per cent change from 2014	2.3%	-0.4%	1.5%	-2.3%	2.6%	3.2%	4.6%	1.8%	2.1%	-0.7%	-2.8%		1.2%
Domestic	800.6p	765.0p	839.7r	844.4p	909.8r	955.1r	1,100.8r	1,143.6p	944.0p	**929.5r**	802.7p		10041.4p
Per cent change from 2014	1.1%	-0.9%	2.3%	-2.9%	4.8%	4.3%	4.7%	2.3%	3.4%	0.0%	-2.1%		1.7%
Transborder	254.6p	253.4p	280.9p	252.1p	237.5r	243.5p	286.9r	285.5p	242.0p	244.6	222.6p		2803.8p
Per cent change from 2014	1.8%	-3.0%	-3.7%	-6.3%	-4.6%	2.9%	4.6%	1.1%	-0.1%	-4.8%	-4.6%		-1.5%
International	143.8p	130.8p	146.5p	129.2p	109.7p	106.2p	125.0r	128.3p	103.2p	93.4	107.1p		1323.2p
Per cent change from 2014	9.9%	8.0%	8.0%	10.6%	1.1%	-5.8%	4.5%	-0.7%	-3.4%	4.6%	-3.5%		3.2%
Fort McMurray International Total	97.6	91.0	97.3	93.5	92.1	98.1	97.5	98.2	93.8	**87.4**	**79.5**	**73.60**	**1,099.6**
Per cent change from 2014	-3.6%	-8.6%	-10.0%	-15.1%	-17.3%	-14.9%	-16.9%	-13.9%	-19.0%	**-24.2%**	**-22.0%**	**-25.2%**	**-16.0%**
Highway Count 2015 (000's of vehicles) [2]													
Hwy 1 -Sask border w-bound	57.7	57.3	64.7	72.8	80.1	85.4	111.1	109.4	80.9	**80.3**	**64.4**		**864.1**
Per cent change from 2014	3.2%	2.3%	3.9%	1.8%	3.6%	2.2%	6.8%	-1.0%	2.1%	**-1.7%**	**0.0%**		**2.1%**
Hwy 1 - Banff Pk Gate (2-way)	501.8	505.5	544.6	568.2	679.2	705.5	953	977.6	693.9	**590.0**	**467.9**		**7,187.2**
Per cent change from 2014	6.1%	12.6%	9.1%	6.7%	15.9%	6.9%	8.1%	-0.5%	7.5%	**4.7%**	**14.5%**		**7.6%**
Hwy 16 - Jasper Pk Gate (2 way)	96.3	92.8	111.7	123.4	149.2	167.9	233.7	254.3	161.8	**125.2**	**84.4**		**1,600.7**
Per cent change from 2014	4.9%	9.6%	6.2%	-1.0%	7.0%	3.6%	4.1%	-4.0%	4.8%	**-0.1%**	**1.0%**		**2.6%**
Hwy 16 - Blackfoot w-bound	164.1	146.6	170.8	177.8	186.6	188.3	202.7	196.8	179.3	**185.5**	**162.1**		**1960.6**
Per cent change from 2014	-3.2%	-7.0%	-6.5%	-5.2%	-7.0%	-5.9%	-7.8%	-11.9%	-11.5%	**-11.8%**	**-9.1%**		**-7.7%**
National Park Attendance (000's of visitors) 2015 [3] Does not include Group Tours													
Banff	184.9p	188.6p	203.8p	246.7p	296.4p	326.0p	630.5p	631.3p	433.0p	**145.8p**	**116.7p**		**3,403.7p**
Per cent change from 2014	8.1%	14.6%	10.7%	6.7%	14.8%	8.6%	12.4%	-0.3%	8.8%	**3.7%**	**12.7%**		**8.2%**
Jasper	52.8p	53.6p	64.1p	147.1p	178.1p	200.8p	433.3	444.9p	296.7p	**61.1p**	**41.5p**		**1,974.0p**
Per cent change from 2014	6.0%	11.1%	7.4%	3.5%	10.3%	5.5%	10.1%	-2.0%	7.6%	**1.7%**	**4.7%**		**5.5%**
Waterton Lakes	6.7p	7.5p	9.3p	14.8p	39.2p	73.5p	114.3p	114.1p	59.7p	22.0p	7.9p	**8.0p**	**477.0p**
Per cent change from 2014	3.5%	19.1%	47.6%	34.5%	26.9%	22.9%	11.5%	6.8%	12.2%	19.6%	46.3%	**23.1%**	**15.3%**
Employment (000's of persons) 2015 Seasonally Adjusted [4]													
Accommodation and Food Services	156.9p	157.6p	155.9p	152.8p	157.1p	157.7p	154.4p	155.1p	150.5p	**154.3p**	**150.4p**		**154.8p**
Per cent change from 2014	4.4%	1.5%	3.7%	0.9%	5.3%	9.2%	9.1%	8.8%	2.2%	**-0.4%**	**-3.6%**		**3.6%**

Sources: Edmonton International Airport, Calgary International Airport, Alberta Transportation, Parks Canada, Statistics Canada.

	Jan.	Feb.	Mar.	Apr.	May	June	July	August	Sept.	Oct.	Nov.	Dec.	Yr-to-Date
Accommodation Indices 2015 [5]													
Edmonton Occupancy Rate	54.4%	65.3%	67.1%	67.7%	64.3%	69.7%	64.8%	63.9%	64.5%	63.1%	**62.2%**		**64.4%**
Point change from 2014	-3.9	-2.8	-7.1	-7.6	-9.1	-0.1	-1.2	-13.3	-0.6	-9.2	**-11.9**		**-6.6**
Average Daily Room Rate	$131.29	$134.52	$135.93	$134.91	$133.27	$138.75	$132.4	$132.58	$135.14	$135.73	**$137.19**		**$136.03**
Variance from 2014	1.4%	1.0%	0.5%	0.2%	-0.8%	1.3%	0.9%	-4.2%	-2.2%	-1.6%	**-2.6%**		**-1.0%**
Revenue per available room	$71.42	$87.81	$91.22	$91.40	$85.73	$96.77	$85.77	$84.73	$87.13	$85.67	**$85.28**		**$87.63**
Calgary Occupancy Rate	55.0%	61.8%	63.5%	64.1%	69.8%	70.2%	78.1%	75.3%	71.1%	63.3%	**54.3%**		**66.2%**
Point change from 2014	-3.0	-1.6	-4.1	-7.5	-1.1	-6.3	0.1	-3.9	-8.4	-10.5	**-12.6**		**-5.4**
Average Daily Room Rate	$156.48	$156.30	$156.76	$159.31	$159.78	$171.43	$185.06	$147.53	158.12	$154.05	**$150.66**		**$158.80**
Variance from 2014	-0.4%	-3.3%	-2.0%	-2.8%	-2.2%	-7.1%	-2.5%	-1.6%	7.2%	-8.7%	**-7.0%**		**-4.8%**
Revenue per available room	$86.08	$96.56	$99.56	$102.11	$111.55	$120.33	$144.48	$111.16	$112.36	$97.45	**$81.88**		**$105.06**
Alberta Resorts Occupancy Rate	40.8%	53.3%	48.8%	48.9%	60.6%	78.7%	90.9%	92.4%	82.6%	58.7%	**37.7%**		**63.4%**
Point change from 2014	2.8	7.8	3.7	2.7	-0.2	2.9	2.9	0.7	1.9	4.1	**-3.9**		**2.4**
Average Daily Room Rate	$183.23	$177.86	$176.03	$170.91	$201.13	$260.92	$294.18	$299.60	$260.20	$190.13	**$168.14**		**$231.80**
Variance from 2014	10.5%	1.3%	5.4%	4.8%	6.8%	8.2%	10.9%	10.1%	12.8%	6.7%	**2.2%**		**8.3%**
Revenue per available room	$74.83	$94.88	$85.94	$83.51	$121.88	$205.47	$267.52	$276.75	$214.84	$111.56	**$63.30**		**$147.01**
Other Alberta* Occupancy Rate	52.5%	55.0%	53.3%	48.3%	51.3%	58.6%	59.0%	57.0%	56.1%	50.5%	**46.0%**		**53.4%**
Point change from 2014	-7.5	-11.5	-14.6	-11.4	-13.1	-8.3	-9.5	-14.0	-15.6	-19.3	**-20.4**		**-13.2**
Average Daily Room Rate	$133.36	$132.26	$131.29	$128.86	$126.21	$127.84	$128.17	$127.47	$126.80	$124.74	**$125.41**		**$128.54**
Variance from 2014	2.7%	1.1%	0.3%	-0.7%	-2.2%	-1.9%	-1.5%	-2.5%	-4.3%	-5.8%	**-4.9%**		**-1.7%**
Revenue per available room	$69.96	$72.74	$70.01	$62.20	$64.77	$74.90	$75.63	$72.71	$71.08	$62.98	**$57.67**		**$68.69**
Total Alberta (excl. Resorts) Occupancy Rate	53.8%	60.0%	60.2%	58.6%	60.4%	65.3%	66.5%	64.5%	63.1%	57.9%	**53.2%**		**60.4%**
Point change from 2014	-5.2	-6	-9.3	-9.0	-8.5	-5.3	-4.1	-10.8	-10.6	-13.8	**-15.7**		**-9.0**
Average Daily Room Rate	$139.70	$140.35	$140.75	$141.06	$139.71	$145.07	$149.69	$135.98	$140.05	$137.83	**$137.22**		**$140.75**
Variance from 2014	1.4%	0.0%	0.1%	-0.9%	-1.2%	-3.1%	-0.2%	-2.2%	-4.2%	-5.1%	**-4.3%**		**-2.2%**
Revenue per available room	$75.12	$84.22	$84.76	$82.69	$84.39	$94.68	$99.53	$87.74	$88.31	$79.86	**$72.94**		**$85.04**
Food Services and Drinking Places 2015 ($ Millions) unadjusted [6]													
Total Receipts for Alberta	$689.4r	$658.1r	$729.7r	$719.6r	$766.1r	$741.1r	769.4r	**761.12r**	**734.88r**	**753.58p**			732.29p
Per cent change from 2014	6.0%	4.4%	1.6%	1.6%	1.7%	0.5%	1.9%	**0.3%**	**0.0%**	**-1.7%**			**1.5%**
Historic Sites and Museums 2015 (000's of visitors) [7]													
Visitor Attendance	24.3p	42.4r	48.6p	48.5p	80.2p	113.0p	181.4p	190.8p	73.5p**	39.4p**	**24.8p****	**51.5p****	**842.1p**
Per cent change from 2014	3.4%	6.5%	26.2%	2.1%	3.5%	-2.2%	13.0%	1.0%	23.7%	-1.7%	**0.4%**	**153.7%**	**0.7%**
Exchange Rates 2015 [8]													
Canadian Dollar/U.S. Dollar (noon)	0.81	0.80	0.79	0.81	0.82	0.81	0.76	0.76	0.75	0.77	0.75	**0.73**	**0.78**
Canadian Dollar/ Euro	0.71	0.71	0.73	0.75	0.74	0.82	0.69	0.68	0.67	0.68	0.70	**0.67**	**0.71**
Canadian Dollar/ Great British Pounds	0.53	0.52	0.53	0.54	0.53	0.52	0.49	0.49	0.49	0.50	0.50	**0.49**	**0.51**
Oil Price: Western Texas Intermediate (WTI) 2015 [9]													
Cushing, OK Spot Price (US Dollar per Barrel)	47.22	50.58	47.82	54.45	59.27	59.82	50.9	42.87	45.48	46.22	**42.39**	**37.21**	**48.69**
Major Tourism Projects Valued $5 million or Greater ($ Millions) [10]													
Total Value of Hotel Projects Inventory	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$1,200	$814		$814
Sources: PKF Consulting Inc, Statistics Canada, Alberta Culture, Bank of Canada, WTI													

*Other Alberta includes Lethbridge, Red Deer, and other Alberta communities

**Please note some of the historical sites have changed their hours of operation. Please see Notes section for details.

Note : New monthly figures are shown in bold type. Revisions will be bolded.
r=revised p=preliminary

1. Air Passengers - Numbers are preliminary estimates of air passenger arrivals and departures at the Edmonton International and Calgary International Airports.
Source: Edmonton International Airport , Calgary International Airport and Fort McMurray International Airport Websites.

2. Highway Traffic: These data are monthly totals. The monthly average daily traffic (average number of vehicles per day) is calculated by dividing the monthly total by the number of days in the month passing the counter locations and in the direction indicated for a particular month. Automatic Traffic Recorders counts all vehicles by direction. Year-to-date is a cumulative total for all vehicles.
Source: Alberta Transportation's Automatic Traffic Recorders (ATR). http://www.transportation.alberta.ca/3459.htm

3. National Park Attendance - Attendance is reported as the number of visits to National Parks in Alberta. Data are preliminary unless otherwise noted.
Banff National Park and Jasper National Park reflect independent travellers only, and do not include people travelling as part of a tour group. The tour group data, however, are included in the annual edition of the Monthly Market Monitor.
Source: Parks Canada.

4. Employment Food and Accommodation Sector - The employment figure represents all persons who worked for pay or profit or unpaid work in the food services and accommodation sector, including businesses or other ventures owned or operated by a related family member(s) during the reference period of the survey. The year-to-date total is an average for the year.
Source: Statistics Canada, Labour Force Survey.

5. Accommodation Indices - Occupancy rates and average daily room rates are based on monthly averages of all reporting hotels, motels and motor hotels in each designated region. Alberta Resorts includes the resort communities of Banff, Lake Louise, Kananaskis, Canmore and Jasper.

Other Alberta includes Lethbridge, Red Deer, and other Alberta communities.

Revenue per available room is calculated using the occupancy rate and average daily room rate.
Source: PKF Consulting Inc. with reproduction and use of information subject to PKF Disclaimer and Restrictions as detailed at www.pkfcanada.com.

6. Food Services and Drinking Places - The monthly survey of Food Services and Drinking Places provides estimates of the value of sales and the number of locations of restaurants, caterers, and drinking places by province and by industry at the North American Industry Classification System (NAICS) four-digit level. Includes total receipts from restaurants, caterers and taverns for chain and independent establishments. The target population is the 3 digit NAICS level of 722, which includes: Full-service restaurants, limited service eating places, special food places and drinking places. The year-to-date total is an average for the year.
Source: Statistics Canada, Food Services and Drinking Places.

7. Historic Sites and Museums - Visitor attendance figures are monthly totals based on fifteen historic sites, the Royal Alberta Museum, the Royal Tyrrell Museum of Paleontology, and the Tyrrell Field Station. **Royal Alberta Museum operational hours as of Sept 8, 2015: Mon-Wed Closed; Thursday - Open to pre-booked school groups; Fri-Sun Open 9:00 am to 5:00 pm. The Royal Alberta Museum had record attendance in December, due to free admission and it being open for 48 hours straight on the weekend of Dec 4-6, before it completely closed at 5 pm on December 6, 2015. Tyrrell Field Station closed on weekends and holidays starting October 17th.

8. **Exchange Rate**- this is the average monthly exchange rate.
Source: Bank of Canada.

9. Western Texas Intermediate - This is the average monthly oil price.
Source: Cushing, OK WTI Spot Price FOB.

10. Major hotel projects in Alberta - This is the inventory of major private and public sector projects related to tourism valued at $5 million or greater. It is not a complete list of hotel projects in Alberta.
Source: Government of Alberta. http://majorprojects.alberta.ca/

22-Jan-2016